

**APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER
OF USE AND PLACE OF USE OF THE PUBLIC WATERS
OF THE STATE OF NEVADA HERETOFORE APPROPRIATED**

THIS SPACE FOR OFFICE USE ONLY

Date of filing in State Engineer's Office JUN 10 2009
Returned to applicant for correction _____
Corrected application filed _____ Map filed NOV 02 1995 under 61572

The applicant Century Oak Land Development

1487 Mary Jo Drive of Gardnerville
Street Address or P.O. Box City or Town
Nevada 89460, hereby make(s) application for permission to change the
State and Zip Code

☐ Point of diversion ☒ Place of use ☒ Manner of use ☐ of a portion

of water heretofore appropriated under (Identify existing right by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.)
Permit 61572

1. The source of water is Underground
Name of stream, lake, underground, spring or other sources.
2. The amount of water to be changed 0.0533 cfs, 28.64 acre-feet
Second feet, acre-feet. One second foot equals 448.83 gallons per minute.
3. The water to be used for Commercial
Irrigation, power, mining, commercial, etc. If for stock, state number and kind of animals. Must limit to one major use.
4. The water heretofore used for Irrigation and Domestic
If for stock, state number and kind of animals.
5. The water is to be diverted at the following point (Describe as being within a 40-acre subdivision of public survey and by course and distance to a found section corner. If on unsurveyed land, it should be stated.)
SE 1/4 SE 1/4 Section 18, T. 17 N., R. 23 E., M.D.B. & M., or at a point from which the SE corner of said Section 18 bears S. 21° 55' 30" E., a distance of 535.3 feet.
6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)

SNC

7. Proposed place of use (Describe by legal subdivisions. If for irrigation, state number of acres to be irrigated.)

NW 1/4 SW 1/4, NE 1/4 SW 1/4, NW 1/4 SE 1/4, SW 1/4 SE 1/4, SE 1/4 SW 1/4, SW 1/4 SW 1/4, all in Section 17, and the SE 1/4 SE 1/4 Section 18, T. 17 N., R. 23 E., M.D.B. & M.

portion portion

SWC

8. Existing place of use (Describe by legal subdivisions. If changing place of use and/or manner of use of irrigation permit, describe acreage to be removed from irrigation.)

7.16 acres in the SE 1/4 SE 1/4 Section 18, T. 17 N., R. 23 E., M.D.B. & M.

9. Proposed use will be from January 1 to December 31 of each year.

Month and Day

10. Existing use permitted from January 1 to December 31 of each year.

Month and Day

11. Description of proposed works. (Under the provision of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) (State manner in which water is to be diverted, i.e. diversion structure, ditches, pipes and flumes or drilled well, pump and motor, etc.)

Existing drilled and cased well. Please reference Well Log # 6553

12. Estimated cost of works Existing

13. Estimated time required to construct works Existing

If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use 1 year

15. Provide a detailed description of the proposed project and its water usage (use attachments if necessary). (Failure to provide a detailed description may cause a delay in processing.)

Water rights are to be used for the Dayton Valley Turf operation on the property. Water rights from this source, plus leased water rights from Hugh Thorson and Stagecoach GID will also be used on the turf farm to maintain this season's sod. Attached is the draft Lease Agreement with Thorson and the signed Lease Agreement with Stagecoach GID. Temporary and permanent change applications for all of these sources of water rights for use on the sod farm are to be filed.

16. Miscellaneous remarks:

For Items 5, 7, and 8 - Please use the map filed in support of Permit 61572 to show the existing and proposed place of use and the point of diversion.

(775) 741-4337

Phone No.

rhodesfacque@earthlink.net

E-mail

By Linda K. Rhodes Facque

Print of type name clearly

Linda K. Rhodes Facque

Signature, applicant or agent

Water Rights - Consulting & Research

Company Name

3320 Sandra Drive

Street Address or P.O. Box

Reno, NV 89503-3835

City, State, Zip Code

**APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT**

\$150 FILING FEE AND SUPPORTING MAP MUST ACCOMPANY APPLICATION

2009 JUN 10 PM 4:21
STATE OF NEVADA
DIVISION OF WATER RESOURCES

DRAFT**Lease Agreement**

This agreement is made this ___ day of June, 2009, by and between **Dayton Valley Turf, a Nevada Corporation**, hereinafter called "Lessee" and **Hugh B. Thorson and Terry Flatley**, hereinafter called "Lessor".

Recitals

Whereas, Lessor owns certain water rights situated in Lyon County, State of Nevada, which are on file in the Nevada State Engineer's Office, described as follows:

Permit 27817, Certificate 9178, being 53.98 acre-feet annually with a diversion rate of 0.121 cubic feet per second.

Permit 31041, Certificate 9550, being 53.98 acre-feet annually with a diversion rate of 0.1043 cubic feet per second.

Permit 31042, Certificate 9185, being 27.3079 acre-feet annually with a diversion rate of 0.0405 cubic feet per second.

Whereas, Lessee desires to rent, lease and hire from Lessor and Lessor desires to let to Lessee those water rights described above for commercial use in it's turf farm business; and

Whereas, the parties desire to set forth their agreement in writing.

Now, Therefore, in consideration of the foregoing and in further consideration of the terms, covenants and conditions set forth in this agreement, the parties do hereby agree as follows:

1. **Leased Rights:** Lessee desires to rent, lease and hire from Lessor fifty four (53.98) acre-feet of water rights situated in the County of Lyon, State of Nevada, including the supplemental water rights, and more particularly described above.
2. **Term:** The term of this lease shall be for a period of 12 months commencing June 1st, 2009 to June 1, 2010.
3. **Assignment and Subletting:** Lessee may not assign this lease or sublet the water rights in whole or in part without the written consent of the Lessor being first had and obtained.
4. **Use of Water Rights: Restrictions:** The water rights are leased to Lessee for use of Lessee's turf farm business and not for other purpose. Lessee shall comply with all Federal, State and local laws, ordinances, rules and regulations governing the use and ownership of water rights and Lessee's use thereof. Lessee shall not commit or cause to committed any waste, damage or misuse of all or any potion

of the water. Lessee agrees to put the water rights to beneficial use as required by the Department of Water Resources for continued use.

5. Licenses and Permits: Lessee shall conduct its business in compliance with all local, State and Federal laws, regulations and ordinances. In consideration of its use of Lessor's water rights, Lessee shall, at its own expense, obtain all necessary permits and transfer fees including but not limited to change application and the like. In addition, Lessee shall make an annual lease payment of thirty seven dollars and fifty cents (\$37.50) per acre foot, which would total \$2024.25 per year.
6. Quiet Enjoyment: Lessee shall, during the term of this lease, have the right to peacefully and quietly have, hold and enjoy the leased water rights, subject to the terms of this lease without hindrance or molestation from Lessor or any person claiming by, from, or under Lessor.
7. Holding Over and Surrender: Should Lessor and Lessee wish to continue the practice of this Agreement after the lease term expires, and addendum may be executed for an additional period of time. Neither party has any further obligation to the other, either expressed or implies, after the termination of this Agreement.
8. Entire Agreement: This lease contains the complete and entire agreement between the parties and no modification hereof shall be binding upon the parties unless evidenced by an agreement in writing, signed by the Lessor and Lessee after the date of this lease.

In Witness Whereof, the parties hereto have executed the lease the day and year first written above.

LESSOR

Hugh B. Thorson and Terry Flatley
4463 N. Shadow Hills Blvd.
Santa Barbara, CA 93105

LESSEE

Dayton Valley Turf
A Nevada Corporation
290 Kietzke Lane
Reno, NV 89502

Hugh B. Thorson and Terry Flatley
Date:

Cary Yamamoto, President
Date:

Terry Flatley, President
Date:

WATER RIGHTS LEASE AGREEMENT

THIS AGREEMENT is entered into this 8th day of June, 2009, by and between the Stagecoach General Improvement District (District) a quasi-municipal corporation of the State of Nevada and Dayton Valley Turf Inc. (Dayton Turf) a Nevada corporation on the date of its execution by the parties as set forth below.

BACKGROUND

Dayton Valley Turf is interested in utilizing 80 acre feet of water which the State Engineer has authorized the Stagecoach General Improvement District to appropriate under Permit Numbers 39076 and 40500

District is willing to lease the water rights to Dayton Turf on a temporary basis in return for an annual lease payment provided that Dayton Valley will be responsible for all costs associated with utilizing these water rights and agreeing to bear the risk of loss of these water rights.

AGREEMENT

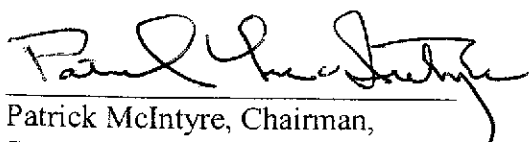
The parties agree as follows:

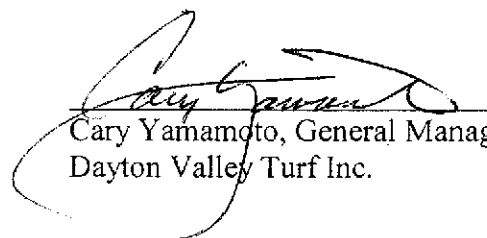
1. District leases to Dayton Turf the use of eighty acre feet of water District has appropriated pursuant to Permit Numbers 39076 and 40500.
2. Dayton Valley will pay to District the sum of THREE THOUSAND AND NO HUNDREDTHS DOLLARS (\$3,000) on June 30th of each year that this agreement is in effect.
3. Dayton Valley will pay all of the costs associated with obtaining the right to utilize the water being leased to it by District and to perform all actions necessary to

allow the water to be utilized by Dayton Turf at its turf farm located within the Stagecoach Water Basin.

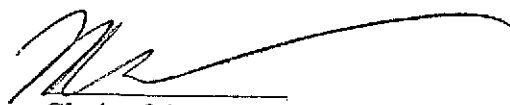
4. Dayton Turf will comply with conditions imposed on the use of the water by the State Engineer as set forth in permit numbers 39076 and 40500. Dayton Turf will also be responsible for reporting the amount of water pumped by Dayton Turf to the Division of Water Resources.

5. This lease will run for one year and expire on June 29, 2010. The lease may be extended by mutual agreement of the parties for up to three additional one year periods. The extension of the lease may be accomplished by Dayton Turf giving notice of its desire to extend the lease at least thirty days in advance of the expiration date of this lease. The extension of the lease must be approved by the Board of Trustees of District.


Patrick McIntyre, Chairman,
Stagecoach General Improvement District


Cary Yamamoto, General Manager,
Dayton Valley Turf Inc.

Attest


Clerk of the Board

Witnessed

